



## Appendix I to DIR Contract Number DIR-SDD-2507 Software as a Service and Technical Services Agreement

This Appendix I to DIR Contract Number DIR-SDD-2507, Software as a Service and Technical Services Agreement ("Agreement") is made and entered into by and between Integrated Software Specialists, Inc., an Illinois corporation ("ISS"), and \_\_\_\_\_, (the "DIR Customer").

### Background

WHEREAS, the DIR Customer desires to engage ISS to provide certain products and technical services, all on the terms and conditions set forth in DIR Contract Number DIR-SDD-2507 and this Agreement. Compliance with this Appendix I of DIR Contract Number DIR-SDD-2507, Software as a Service and Technical Services Agreement is the responsibility of the DIR Customer. DIR shall not be responsible for any DIR Customer's compliance with the Software as a Service and Technical Services Agreement. If DIR purchases Software as a Service or Services for its own use under DIR Contract Number DIR-SDD-2507, it shall be responsible for its compliance with the Software as a Service and Technical Services Agreement terms and conditions.

NOW, THEREFORE, in consideration of the mutual promises contained herein and in DIR Contract Number DIR-SDD-2507, along with other good and valuable consideration, the receipt and sufficiency of which all parties mutually acknowledge, ISS and DIR Customer agree as follows:

A. ISS shall furnish the products and services described in DIR Contract Number DIR-SDD-2507 and this Agreement, and DIR Customer shall pay the prices set forth in Appendix C, Pricing Index, of DIR Contract Number DIR-SDD-2507 and this Agreement.

B. This Agreement consists of this cover and signature page and the following attachments and exhibits attached hereto or to be attached throughout the Term of this Agreement, all of which are incorporated by reference herein:

- Schedule 1. – Investment Summary
- Exhibit A. – SaaS General Terms and Conditions
- Exhibit B. – Service Level Terms and Conditions
- Exhibit B1. – Application Availability Period Service Levels

IN WITNESS WHEREOF, this Appendix I, SaaS Agreement to DIR Contract Number DIR-SDD-2507 has been executed by a duly authorized officer of each Party hereto to be effective as of the date last set forth below (the "Effective Date"):

### INTEGRATED SOFTWARE SPECIALISTS, INC. ("ISS")

### DIR CUSTOMER ("DIR Customer")

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Exhibit A to Appendix I of DIR Contract Number DIR-SDD-2507**  
**SaaS General Terms and Conditions**

1. **DEFINITIONS**

1.1. **"Agreement"** means DIR Contract Number DIR-SDD-2507 and this Software as a Service and Technical Services Agreement, including all exhibits attached thereto and to be attached throughout the Term of this Agreement, all of which are incorporated by reference herein.

1.2. **"Business Day"** means any day, Monday through Friday, excluding any ISS holiday.

1.3. **"Business Hour"** means 7:00 a.m. to 7:00 pm, Central Time during Business Days.

1.4. **"Claims"** mean any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses, including reasonable attorneys' fees and expenses.

1.5. **"Current Production Software Version"** means the current production version of ISS's software listed on the Investment Summary.

1.6. **"Defect"** means any bug, error, contaminate, malfunction, or other defect in the Licensed Software caused by, arising from, or emanating from the reasonable control of ISS that renders the Licensed Software in substantial nonconformance with ISS's then current published specifications.

1.7. **"Documentation"** means the user's manuals and any other materials in any form or media provided by ISS for the users of the Licensed Property.

1.8. **"Confidential and Proprietary Information"** Confidential Information is subject to DIR Customer's rights and obligations under Texas Public Information Act laws and legal processes therefore, the parties agree that Confidential and Proprietary Information means all information in any form that is or should be reasonably understood to be confidential or proprietary to ISS relating to, used in, or arising out of ISS' operations and held by, owned, licensed, possessed, or otherwise existing in, on or about ISS' premises or DIR Customer's offices, residence(s), or facilities including without limitation ISS owned or leased servers and regardless of who created, generated, or gathered the information, including, without limitation, all information contained in, embodied in (in any media whatsoever) or related to ISS' inventions, ideas, creations, works of authorship, business documents, licenses, correspondence, operations, manuals, operating data, projections, bulletins, DIR Customer lists and data, sales data, cost data, profit data, pricing data, financial statements, strategic planning and financial planning data, designs, logos, proposed trademarks or service marks, test results, product or service literature, product or service concepts or plans, specification data, know-how, software, databases, database layouts, design documents, release notes, algorithms, source code, screen shots, and other research and development information and data. Notwithstanding the foregoing, ISS Confidential and Proprietary Information does not include information that: (a) becomes public other than as a result of a disclosure by DIR Customer in breach thereof; (b) becomes available to DIR Customer on a non-confidential basis from a source other than ISS, which is not prohibited from disclosing such information by obligation to ISS; (c) is known by DIR Customer prior to its receipt from ISS without any obligation of confidentiality with respect thereto; or (d) is developed by DIR Customer independently of any disclosures made by ISS.

1.9. **"Embedded Third Party Software"** means licensed third party software that is required to provide the functionality of the Licensed Software, which as of the date of this Agreement, consists of the software set forth on Schedule 1 labeled as "Embedded Third Party Software".

1.10. **"Investment Summary"** means the summary of fees and services set forth on Schedule 1 in accordance with Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507.

1.11. **"Licensed Property"** means the Licensed Software and the Documentation.

1.12. **"Licensed Software"** means: (a) the Current Production Software Version; (b) Embedded Third Party Software; and (c) any Local Enhancements.

1.13. **“Local Enhancements”** means any refinement, enhancement, or other customization to the Current Production Software Version to be developed by ISS per the Investment Summary.

1.14. **“Party”** means, individually, ISS and DIR Customer.

1.15. **“Project”** means the delivery and license of the Licensed Property and the performance of the services to be provided by ISS in accordance with the provisions of DIR Contract Number DIR-SDD-2507 and this Agreement.

1.16. **“Project Manager”** means the person designated by each Party who is responsible for the management of the Project.

1.17. **“SaaS Fee”** means the “Total Annual SaaS Fee” as set forth on the Investment Summary, which is due and payable in accordance with Appendix A, Section 7.C. of DIR Contract Number DIR-SDD-2507.

1.18. **“Service Level Terms and Conditions”** means the terms and conditions for ISS’ maintenance and support of the Licensed Software, which are set forth in Exhibit B.

1.19. **“SOW”** means any statement of work or similar document between ISS and DIR Customer.

1.20. **“Third Person Hardware”** means the workstations and other hardware to be leased, purchased, or otherwise acquired by DIR Customer from a third party that is minimally required to operate the Licensed Software and such other hardware that DIR Customer has actually leased, purchased or otherwise acquired and/or may be minimally required in the future to operate the Licensed Software. “Minimally required” hardware includes all hardware identified by ISS in Exhibit C (the “Scope of Work”) as necessary to operate the Licensed Software.

1.21. **“Third Person Software”** means the operating systems and other software to be licensed, purchased, or otherwise acquired by DIR Customer from a third party that is minimally required to operate the Licensed Software and such operating systems and other software that DIR Customer has actually licensed, purchased, or otherwise acquired and/or may be minimally required in the future to operate the Licensed Software. “Minimally required” software includes all software identified by ISS in Exhibit C (the “Scope of Work”) as necessary to operate the Licensed Software.

1.22. **“User”** means an individual who is associated with DIR Customer or affiliate as a full or part time employee, or subcontractor of DIR Customer or affiliate employed by or providing Services, or a third party requiring access to the Licensed Property in order to conduct business with DIR Customer who, in each case, is assigned and authorized by DIR Customer to Use the Licensed Property as permitted hereunder.

## 2. **TITLE AND LICENSE**

2.1. License Grant. In consideration for the SaaS Fee, which shall be due and payable as set forth in Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507 hereby grants to DIR Customer a limited, non-exclusive, revocable and non-transferable license (and sublicense with respect to the Embedded Third Party Software) to use the Licensed Property for DIR Customer’s internal administration, operation, and/or conduct of DIR Customer’s business operations by the number of Users as set forth on the Investment Summary.

ISS HAS THE RIGHT TO REVOKE THIS LICENSE IF DIR CUSTOMER TERMINATES, CANCELS OR FAILS TO RENEW THIS AGREEMENT. EXCEPT WHERE DIR CUSTOMER HAS TERMINATED THIS AGREEMENT FOR CAUSE AS PROVIDED HEREIN, ISS HAS THE RIGHT TO UNILATERALLY REVOKE THIS LICENSE AND DENY DIR CUSTOMER ACCESS TO THE LICENSED PROPERTY IF DIR CUSTOMER FAILS TO REMIT ANY REQUIRED FEES WITHIN THIRTY DAYS OF THE DATE SUCH FEES BECOME DUE AS SET FORTH HEREIN AND SUCH AMOUNTS REMAIN OUTSTANDING FOR A PERIOD OF THIRTY DAYS FOLLOWING ISS’ WRITTEN NOTICE OF ITS INTENT TO REVOKE THE LICENSE.

2.2. User Licenses. Unless otherwise specified on the Investment Summary: (a) the Licensed Property is purchased as User subscriptions and may be accessed by no more than the specified number of Users; (b) additional User subscriptions may be added during the Term at the same pricing as that for the pre-existing subscriptions, prorated for the remainder of the Term in effect at the time the additional User subscriptions are added; and (c) the added User subscriptions shall terminate on the same date as the pre-existing subscriptions. User subscriptions are for designated

Users and cannot be shared or used by more than one User; provided, however, that User subscriptions may be reassigned to new Users replacing former Users who no longer require ongoing use of the Licensed Property.

2.3. Restrictions. Unless otherwise expressly set forth in this Agreement, DIR Customer shall not (a) reverse engineer, de-compile, or disassemble any portion of the Licensed Software or (b) sublicense, transfer, rent, or lease the Licensed Software or its usage. To the extent DIR Customer employs contractors, subcontractors, or other third parties to assist in the Project, DIR Customer shall obtain from such third parties an executed confidentiality agreement (in a form approved by both parties) prior to such parties being permitted access to ISS Confidential and Proprietary Information.

2.4. Embedded Third Party Software. The license grant set forth in Section 2.1 includes the right to use any Embedded Third Party Software. All such Embedded Third Party Software shall be included in the SaaS Fee. ISS shall pass through to DIR Customer any and all warranties granted to ISS by the owners, licensors, and/or distributors of such Embedded Third Party Software.

2.5. Title

(a) ISS represents and warrants that it is the owner of all right, title, and interest in and to the Licensed Software (other than Embedded Third Party Software) and all components and copies thereof. Nothing in this Agreement shall be deemed to vest in DIR Customer any ownership or intellectual property rights in and to ISS' intellectual property (including, without limitation, ISS Confidential and Proprietary Information), any components and copies thereof, or any derivative works based thereon prepared by ISS.

(b) All training materials shall be the sole property of ISS.

(c) All DIR Customer data shall remain the property of DIR Customer. ISS shall not use DIR Customer data other than in connection with providing the services pursuant to this Agreement.

2.6. Intellectual Property. DIR Customer acknowledges and agrees that the Licensed Property, Custom Software, and all related source code, documentation and any and all materials relating thereto, and any and all associated trademarks, service marks, copyrights, patent rights, trade secrets and other proprietary rights in or related to the Licensed Property or Custom Software without limitation, are proprietary to ISS and shall remain at all times the sole, exclusive property of ISS or its licensors, whether or not specifically recognized or perfected under applicable law. DIR Customer agrees to take or cause to be taken reasonable precautions to comply with all copyright, trademark, trade secret, patent and other laws necessary to protect the Licensed Property and related marks, including any and all information contained therein, and agrees not to remove, conceal, or obliterate any copyright, legend, credit line, date line or other proprietary notice included in the Licensed Property.

3. Additional Services.

3.1. At DIR Customer's request, ISS shall provide technical services (not otherwise constituting Support) as requested by DIR Customer, as may be more particularly described in any applicable SOW executed by DIR Customer and ISS or in a writing between the parties (the "Technical Services"). Such Technical Services will be provided at the price in accordance with Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507. Each SOW or other writing will incorporate by this reference all the terms and conditions of this Agreement and will set forth, as applicable: (i) the scope of Technical Services to be performed under such SOW or other writing; (ii) the estimated hours such – Technical Services are to be provided; (iii) any tangible item to be delivered to DIR Customer by ISS under such SOW or other writing (a "Deliverable"); (iv) any costs or expenses that will be reimbursed to ISS in accordance with Appendix C of DIR Contract Number DIR-SDD-2507; and (v) such other details as the parties deem reasonably necessary.

4. **PRICING, INVOICING AND PAYMENT**

4.1. Invoicing shall be in accordance with Appendix A, Section 7.B. of DIR Contract Number DIR-SDD-2507. Payment shall be in accordance with Appendix A, Section 7.C. of DIR Contract Number DIR-SDD-2507. Pricing shall be in accordance with Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507. The Annual SaaS Fees reflected in Appendix C, Pricing Index and in the Investment Summary are invoiced in advance on an annual basis and include forecasted user counts over the annual Term of the agreement. Payment of Annual SaaS Fees for each annual period is due prior to the first day of each annual period.

4.2 Travel Expenses. Pre-approved travel expenses shall be reimbursed in accordance with the Texas Travel Management Program Guidelines at: <http://www.window.state.tx.us/procurement/contracts/travel/>.

4.2. Payment. Payment will be made to ISS by DIR Customer in accordance with Appendix A, Section 7.C. of DIR Contract Number DIR-SDD-2507.

## 5. PROJECT IMPLEMENTATION

5.1. Technical Services. Attached hereto as Schedule 1 is ISS' good faith estimate of the hours and fees that are in accordance with Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507 and are associated with the services to be performed by ISS for DIR Customer, including travel time by ISS' personnel from ISS' place of business to and from DIR Customer's place of business. Additional services requested by DIR Customer beyond those hours detailed in Schedule 1, upon approval by DIR Customer, may be invoiced in accordance with Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507.

5.2. Office Space. DIR Customer may, at its sole expense and if available, provide reasonable access to office space, telephone access, network access (including providing ISS reasonable access to a secure virtual private network connection or other comparable connection for use by ISS from time to time on a non-dedicated basis to the extent that such access is allowable per DIR Customer IT Security policy), Internet connections, and such other facilities as may be reasonably requested by ISS for use by ISS personnel for the purpose of performing this Agreement.

5.3. Third Person Hardware and Third Person Software. DIR Customer shall be responsible to purchase, install, and configure all Third Person Hardware and Third Person Software. ISS shall have no liability for defects in the Third Person Hardware or Third Person Software, except to the extent described in Section 11.

5.4. Cooperation. DIR Customer acknowledges that the implementation of the Project is a cooperative process requiring the time and resources of DIR Customer personnel. DIR Customer shall, and shall cause its personnel to, use all reasonable efforts to cooperate with and assist ISS as may be reasonably required to timely implement the Project, providing reasonable information regarding its operations and reasonable access to its facilities to the extent that the information and access are in accordance with DIR Customer Security policy. ISS shall not be liable for failure to timely implement the Project when such failure is due to Force Majeure which shall be in accordance with Appendix A, Section 10.C of DIR Contract No. DIR-SDD

## 6. INSTALLATION OF THE LICENSED SOFTWARE

ISS shall use commercially reasonable efforts to promptly install the Licensed Software on ISS' servers (or other services as otherwise specified and mutually agreed) in accordance with a mutually agreed upon timetable. Upon installation, ISS shall conduct its standard diagnostic evaluation to confirm that the Licensed Software is properly installed, and, upon confirmation of successful completion of installation, shall deliver written instructions for accessing the Licensed Software to DIR Customer.

## 7. CERTIFICATION OF THE LICENSED SOFTWARE

7.1. Certification Procedure. Upon installation of the Licensed Software, ISS shall perform its standard test procedures and shall certify to DIR Customer that the Licensed Software is in substantial conformance with ISS' then current published specifications and is ready for DIR Customer's use. In the event ISS cannot so certify, ISS' sole obligation shall be to correct the cause thereof or to exercise its rights to terminate in accordance with Appendix A, Section 10.B of DIR Contract No. DIR-SDD-2507.

7.2. Certification Final. ISS' certification that the Licensed Software substantially complies with the then current published specifications shall be final and conclusive, except for latent defect, fraud, and such gross mistakes that amount to fraud.

7.3. Participation. Both parties agree to devote reasonable and sufficient resources upon installation to the Certification effort described in Section 7.1 and that such Certification shall not unreasonably be delayed.

8. **TRAINING**

To the extent that training services are included in Schedule 1, ISS shall train DIR Customer in accordance with a mutually agreed upon training plan. The training plan shall outline the training required for personnel to operate the Licensed Software. ISS shall provide DIR Customer personnel with only the number of hours of training for the respective portions of the Licensed Software as set forth in Schedule 1. Training shall be provided at DIR Customer's principal place of business, on-line or remotely, or at another site selected by DIR Customer. Training shall be performed according to the training plan, but in any event shall be "hands-on" using production-ready versions of the Licensed Software. The courses shall train DIR Customer's employees or agents in a manner to provide basic end user training. DIR Customer shall be responsible for providing an adequately equipped training facility to operate the Licensed Software.

9. **MAINTENANCE AND SUPPORT SERVICES**

9.1. Service Level Terms and Conditions. Upon ISS' certification of the Licensed Software, ISS shall provide DIR Customer with the maintenance and support services for the Licensed Software as set forth in Exhibit B.

9.2. Responsibilities of DIR Customer. In addition to the other responsibilities set forth herein, DIR Customer shall: (a) arrange for ISS to provide all training of DIR Customer's personnel; (b) collect, prepare, and enter all data (other than data to be converted by ISS pursuant to this Agreement) necessary for the day-to-day operations of the Licensed Software; (c) retain separate copies of all conversion data delivered to ISS; (d) provide end user workstations that conform to ISS' minimum requirements as specified in the Scope of Work attached to this Agreement as Exhibit C; and (e) provide the requisite networks.

10. **ISS CONFIDENTIAL AND PROPRIETARY INFORMATION**

10.1. Protection of Confidential and Proprietary Information. To the extent allowed under the Texas Public Information Act, the Parties agree that Confidential Information is subject to DIR Customer's rights and obligations under public information laws and legal processes therefore, the parties agree as follows:

10.2. neither party shall disclose, disseminate, transmit, publish, distribute, make available, or otherwise convey Confidential and Proprietary Information of the other Party, and neither Party shall not use, make, sell, or otherwise exploit any such Confidential and Proprietary Information of the other Party for any purpose other than the performance of this Agreement, without the other Party's written consent, except: (a) as may be required by law, regulation, judicial, or administrative process; or (b) as required in litigation pertaining to this Agreement, provided that the other Party is given advance notice of such intended disclosure in order to permit it the opportunity to seek a protective order. Each Party shall ensure that all individuals assigned to perform services herein shall abide by the terms of this Section 10.1 and shall be responsible for breaches by such persons.

Judicial Proceedings. If either Party is requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand, or other similar process) to disclose any Confidential and Proprietary Information of the other Party, they shall provide said Party with prompt written notice of such request or requirement so that the other Party may seek protective orders or other appropriate remedies and/or waive compliance with the provisions of this Agreement. If, in the absence of a protective order or other remedy or the receipt of a waiver by the other Party, each Party nonetheless is legally compelled to disclose Confidential and Proprietary Information to any court or tribunal or else would stand liable for contempt or suffer other censure or penalty, that Party may, without liability herein, disclose to such court or tribunal only that portion of their Confidential and Proprietary Information which the court requires to be disclosed, provided that each Party uses reasonable efforts to preserve the confidentiality of the other Party Confidential and Proprietary Information, including, without limitation, by cooperating with the other Party to obtain an appropriate protective order or other reliable assurance that confidential treatment shall be accorded Confidential and Proprietary Information by such court or tribunal.

11. **REPRESENTATIONS AND WARRANTIES**

11.1. Project Personnel. All ISS personnel utilized in connection with fulfilling its obligations pursuant to or arising from this Agreement shall be employees of ISS or, if applicable, ISS' subcontractor(s) or agent(s), shall be qualified to perform the tasks assigned them, and shall be in compliance with all applicable laws relating to employees generally.

11.2. Pass-Through of Warranties. ISS hereby passes through the benefits of any third party warranties that it receives in connection with any product provided to DIR Customer.

11.3. No Actions, Suits, or Proceedings. There are no actions, suits, or proceedings, pending or, to the knowledge of ISS, threatened, that shall have a material adverse effect on ISS' ability to fulfill its obligations pursuant to or arising from this Agreement.

11.4. Certain Business Practices. Neither ISS nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this Agreement by any federal department or agency. ISS further represents and warrants that it is not listed on any local, DIR Customer, state or federal consolidated list of debarred, suspended, and ineligible contractors and grantees. No person (other than permanent employees of ISS and ISS' Authorized Reseller) has been engaged or retained by ISS to solicit, procure, receive, accept, arrange, or secure this Agreement for any compensation, consideration, or value.

11.5. IP Warranty and Covenants.

(a) ISS represents and warrants that it is the owner of the Licensed Property or an authorized licensee thereof with full right to license such Licensed Property to DIR Customer as provided in this Agreement, and that neither such Licensed Property or any part thereof, nor DIR Customer's Use thereof, infringes or misappropriates any copyright, patent, trade secret, mask work or other proprietary right of any third party. ISS, at its expense, will indemnify, defend and hold harmless DIR Customer from and against any third party claims or actions that the Licensed Property or DIR Customer's Use thereof within the scope of this Agreement infringes or unlawfully misappropriates such party's patent, copyright, trademark, or trade secret, provided that: (a) DIR Customer notifies ISS in writing promptly upon becoming aware of such a claim; (b) ISS has sole control of the defense and all related settlement negotiations; and (c) DIR Customer provides ISS with the reasonable assistance, information and authority necessary to perform the obligations of ISS under this paragraph. ISS shall have no liability under this Section 10.1(a) and Section 10.1(b) for any claim to the extent based, in whole or in part, on: (a) use of the Licensed Property outside the scope of this Agreement; (b) use of a superseded or altered (other than by ISS) release of the Licensed Property; (c) if the infringement would have been avoided by the use of the current release of the Licensed Property made available by ISS; (d) the combination, operation, or use of the Licensed Property with software, hardware, or other materials not furnished or recommended by ISS; or (e) any modification of the Licensed Property not made by ISS. In the event any such claim is made and ISS is proven liable, ISS shall take one of the following actions at its sole cost and expense: (i) modify the Licensed Property to be non-infringing; (ii) obtain for DIR Customer a license to continue using the Licensed Property, or (iii) replace the Licensed Property with a compatible, functionally equivalent non-infringing software.

(b) As part of the Licensed Property, ISS may supply to DIR Customer or incorporate certain Open Source Software, including components or other Open Source Software technology in the Licensed Property. ISS has disclosed to DIR Customer and DIR Customer has accepted ISS' use of Open Source Software in the development, delivery and ongoing operation of the Licensed Property. ISS represents, and warrants that DIR Customer's Use of the Licensed Property as provided hereunder will not violate the terms of the applicable Open Source Software license.

(c) In the event that during the term of this Agreement, ISS becomes aware of an event, occurrence, error, defect or malfunction in the Licensed Property that may adversely affect DIR Customer, then ISS will promptly provide DIR Customer with written notice of the event, occurrence, error, defect or malfunction and the possible adverse effect, as well as a proposed remedy therefore.

11.6. **DISCLAIMER OF WARRANTIES.**

**THE WARRANTIES HEREIN ARE IN LIEU OF ALL OTHER WARRANTIES, AND ISS DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, WHICH WARRANTIES ARE HEREBY EXPRESSLY EXCLUDED.**

12. **LIMITATION OF LIABILITY**

Limitation of Liability shall be in accordance with Appendix A, Section 9.K. of DIR Contract Number DIR-SDD-2507.

13. **TAXES**

Taxes shall be handled in accordance with Appendix A, Section 4.F. of DIR Contract Number DIR-SDD-2507.

14. **TERM AND TERMINATION**

14.1. Term. DIR Contract No. DIR-SDD-2507 is for an initial annual term and two (2) one (1) year renewal options which may be exercised by Vendor's issuance of thirty (30) days advanced written notice and Customer's concurrence prior to the then-effective expiration date (each a "Renewal Term").

14.2. Termination shall be handled in accordance with Appendix A, Section 10.B of DIR Contract No. DIR-SDD-2507.

14.3. Survival. Survival shall be handled in accordance with Appendix A, Section 4.E of DIR Contract Number DIR-SDD-2507.

15. **DISPUTE RESOLUTION**

Any dispute shall be handled in accordance with Appendix A, Section 10.A of DIR Contract No. DIR-SDD-2507.

16. **ASSIGNMENT**

ASSIGNMENT shall be handled in accordance with Appendix A, Section 4.D of DIR Contract No. DIR-SDD-2507.

17. **GENERAL PROVISIONS**

17.1. Governing Law; Jurisdiction. This Agreement shall be constructed under, governed by and interpreted in accordance with the laws of the State of Texas. Nothing herein shall be construed to waive the sovereign immunity of the State of Texas.

17.2. Cumulative Remedies. Except as specifically provided herein, no remedy made available herein is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy provided herein or available at law or in equity.

17.3. Entire Agreement. To the extent that the terms of this Agreement conflict with the terms of DIR Contract Number DIR-SDD-2507, the DIR contract shall be controlling.

17.4. Counterparts and Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but, when taken together, shall constitute one and the same document. Electronic or Facsimile signatures shall in all respects have the same weight, force and legal effect and shall be fully valid, binding and enforceable as if such signed facsimile copies were original documents bearing original signatures in the event that Notices are in accordance with Appendix A, Section 11.A of DIR Contract Number DIR-SDD-2507. In the event that any provision of this Agreement shall be held to be void or unenforceable by a court of law, such provision shall be eliminated and shall not affect the validity of any remaining provision.

17.5. Waiver. No term, payment, or provision of this Agreement shall be deemed waived unless such waiver or consent is in writing and signed by the party claimed to have waived or consented. The failure of either party to exercise any right or privilege granted in this Agreement shall not be construed as a waiver of that right or privilege. All rights of either party under this Agreement are specifically reserved and any payment, act or omission shall not impair or prejudice any remedy or right of either party under it. Any right or remedy stated in this Agreement shall not preclude the exercise of any other right or remedy under this Agreement, the law or at equity, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other rights or remedies.



17.6. Amendment. This Agreement shall not be modified, amended, or in any way altered except by an instrument in writing signed by the properly delegated authority of each Party. All amendments or modifications of this Agreement shall be binding upon the Parties despite any lack of consideration.

17.7. Survival of Terms. In the event any provision hereof is found invalid or unenforceable pursuant to judicial decree, the remainder of this Agreement shall remain valid and enforceable according to its terms.

17.8. Force Majeure. Force Majure shall be handled in accordance with Appendix A, Section 10.C of DIR Contract Number DIR-SDD-2507.

17.9. Notices. Notices shall be handled in accordance with Appendix A, Section 11.A. of DIR Contract Number DIR-SDD-2507.

**IN WITNESS WHEREOF**, the parties have caused their authorized representatives to execute this Appendix I, SaaS Technical Services Agreement as of the Effective Date.

**DIR Customer**

**INTEGRATED SOFTWARE SPECIALISTS, INC.**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## **Exhibit B**

### **Service Level Terms and Conditions**

#### **1. CERTAIN DEFINITIONS**

- 1.1. **"Terms Not Defined"** means terms not otherwise defined this Exhibit B shall have the meanings assigned to such terms in DIR Contract Number DIR-SDD-2507 and in the Software as a Service and Technical Services Agreement (the "Agreement").
- 1.2. **"Application Availability Period"** has the meaning set forth in Schedule B-1.
2. **"Business Day"** means Monday through Friday, excluding ISS Holidays.
- 2.1. **"Business Hours"** means 7:00 a.m. to 5:00 p.m., Central Time during Business Days.
- 2.2. **"Workaround or Workaround Procedures"** means, as applied to a Documented Defect, a bypass of a recognized problem with the Licensed Software by any means including a change in operating procedures whereby DIR Customer can reasonably avoid any deleterious effects of such Documented Defect.
- 2.3. **"Defect"** means any bug, error, malfunction, or other defect in the Licensed Software caused by, arising from, or emanating from the reasonable control of ISS that renders the Licensed Software in nonconformance with ISS' then current published specifications.
- 2.4. **"Documented Defect"** means a Defect that DIR Customer documents for ISS pursuant to Section 2.1.
- 2.5. **"Downtime"** means minutes during the Application Availability Period where the Licensed Software is not available as set forth in Section 3.1.
- 2.6. **"Operational Maintenance Window"** has the meaning set forth in Schedule B-1.
- 2.7. **"Incident Report"** means an electronic report and notification of a suspected Defect by DIR Customer to ISS containing details and documentation of the Defect, including examples and instructions to replicate and correct the suspected Defect, and as further defined in Section 2.
- 2.8. **"Service Level 1 Defect"** means a Documented Defect that causes complete application failure or application unavailability (down condition) in a production environment affecting multiple users and no Workaround exists.
- 2.9. **"Service Level 2 Defect"** means a Documented Defect that causes (a) repeated, consistent failure of Essential Functionality affecting more than one user or (b) loss or corruption of data and no Workaround exists.
- 2.10. **"Service Level 3 Defect"** means a Service Level 1 Defect with an existing Workaround Procedure, or a Service Level 2 Defect that affects only one User or for which there is an existing Workaround Procedure.
- 2.11. **"Service Level 4 Defect"** means a Documented Defect that is of minor nature and does not substantially affect the use of the Licensed Software, or a Documented Defect that causes failure of Non-Essential Licensed Software functionality or a cosmetic or other Documented Defect that does not qualify as any other Service Level Defect.
- 2.12. **"Version Release"** means new versions of the Licensed Software that contain technical improvements, functional enhancements, updates, extensions, and/or maintenance changes to the Licensed Software.
- 2.13. **"ISS Holidays"** means one (1) day for a New Year's Day Holiday, Memorial Day, a one (1) day holiday for Independence Day, Labor Day, Thanksgiving Day and the day after, and two (2) days during Christmas time and four floating Holidays. The exact date for all floating and any rolling holiday will be published on the ISS website in advance of the date.

### 3. **DIR CUSTOMER RESPONSIBILITIES**

DIR Customer understands that service level response and resolution times will be dependent upon DIR Customer providing quality Defect information and reasonable cooperation.

3.1. DIR Customer Liaison. DIR Customer will assign and provide a DIR Customer Liaison Officer to interface with ISS' Support Liaison Officer. The DIR Customer Liaison Officer will be responsible to filter and document all requests and reported issues, follow the escalation process defined herein or as adjusted by ISS from time to time, submit electronic Incident Reports to ISS as required, participate in and coordinate DIR Customer activities and resources to help troubleshoot and verify problems, establish and communicate priorities, and perform and coordinate DIR Customer testing and implementation of new fixes, patches, or releases.

3.2. Cooperation. DIR Customer will provide ISS' support team with reasonable access to and cooperation from DIR Customer personnel, as required, such as the Users of the system, Subject Matter Experts, IT staff, etc.

3.3. Documenting Defects. DIR Customer must document all Defects in writing via an Incident Report with sufficient information to recreate the Defect or otherwise clearly and convincingly document or evidence its occurrence, including, but not limited to, the operating environment, data set, user, or any other such information that ISS may reasonably request. DIR Customer shall deliver such information to ISS concurrently with its notification to ISS of a Defect. DIR Customer shall use all reasonable efforts to eliminate any non-application related issues prior to its notification to ISS of such Defect, including, but not limited to, issues related to the network, user training, DIR Customer produced extensions, and data problems not caused by the Licensed Software. Any technical or other issue for which DIR Customer requests services, but which is not a Documented Defect, shall be treated as a request for other services and governed by Section 6.

3.4. Training. DIR Customer shall provide training on the Licensed Software to its employees and any Version Releases related thereto.

3.5. Other DIR Customer Responsibilities. DIR Customer shall:

(a) maintain all required Third Party Software to the release level compatible with the installed version(s) of the Licensed Software and;

(b) establish and maintain an internal help desk to be the central point of contact for the DIR Customers End User(s) and in the event that the DIR Customer help desk is unable to resolve a reported issue, they may contact ISS' help desk in accordance with Section 2.3;

### 4. **ISS RESPONSIBILITIES – APPLICATION AVAILABILITY AND OPERATIONS SUPPORT**

4.1. Application Availability.

(a) ISS shall use commercially reasonable efforts to provide access to the Licensed Software during the Application Availability Period as set forth in the goals listed in Schedule B-1.

(b) ISS shall maintain a log of any system issues that result in Downtime of more than 1 hour, excluding: (i) scheduled maintenance by ISS' Internet Service Provider or collocated data center; (ii) periods needed to deter or correct problems due to malicious attacks or denial of service attempts; (iii) DIR Customer hardware or network failure; (iv) negligent actions by DIR Customer's agents, employees, or vendors; and (v) events of Force Majeure (as set forth in Exhibit A, Section 17.8).

4.2. Operations Support; Procedures for Reporting Downtime.

(a) ISS shall provide DIR Customer with procedures for contacting support staff on a twenty-four hour, seven days a week basis for the limited purpose of reporting Downtime. DIR Customer agrees to designate no more than two (2) of DIR Customer employees who are authorized to utilize this procedure after normal Business Hours.

(b) For each reported Downtime incident, ISS shall assign appropriate personnel to diagnose and correct the Downtime. ISS' initial response shall include an acknowledgement of notice of the Downtime, confirmation that ISS has received sufficient information concerning the Downtime, and an action plan for resolving the Downtime.

## 5. **ISS RESPONSIBILITIES – HELP DESK**

ISS shall provide DIR Customer with procedures for contacting support staff during Normal Business Hours excluding ISS Holidays) for general application assistance.

## 6. **ISS RESPONSIBILITIES – DOCUMENTED DEFECTS**

### 6.1. General Services for Reporting Documented Defects.

(a) ISS shall provide DIR Customer with procedures for contacting support staff during normal Business Hours on normal Business Days, excluding ISS Holidays) for reporting Documented Defects. ISS shall assist DIR Customer in the diagnosis of any Documented Defect, including the assigned Service Level and ISS' tracking number.

(b) For each reported Documented Defect, ISS shall assign appropriate personnel to diagnose and correct the Documented Defect, and where appropriate, identify Workaround Procedures. ISS' initial response shall include an acknowledgement of notice of the Documented Defect and confirmation that ISS has received sufficient information concerning the Documented Defect.

6.2. Service Level 1 Defects. ISS shall provide an initial acknowledgement to Service Level 1 Defects within one (1) Business Hour of receipt of the Documented Defect. Both DIR Customer and ISS will actively engage their resources to remedy the Documented Defect as expeditiously as possible. ISS shall use commercially reasonable efforts to resolve such Documented Defects or provide a Workaround Procedure within one (1) Business Day. ISS' responsibility for loss or corrupted data is limited to assisting DIR Customer in restoring its database to a known, accurate state.

6.3. Service Level 2 Defects. ISS shall provide an initial acknowledgement to Service Level 2 Defects within four (4) Business Hours of receipt of the Documented Defect. ISS shall use commercially reasonable efforts to resolve such Documented Defects or provide a Workaround Procedure within five (5) Business Days. ISS' responsibility for loss or corrupted data is limited to assisting DIR Customer in restoring its database to a known, accurate state.

6.4. Service Level 3 Defects. ISS shall provide an initial acknowledgement to Service Level 3 Defects within one (1) Business Day of receipt of the Documented Defect. ISS shall use commercially reasonable efforts to resolve such Documented Defect without the need for a Workaround Procedure with the next published maintenance update or service pack. ISS' responsibility for lost or corrupted data is limited to assisting DIR Customer in restoring its database to a known, accurate state.

6.5. Service Level 4 Defects. ISS shall provide an initial acknowledgement to Service Level 4 Defects within two (2) Business Days. ISS shall use commercially reasonable efforts to resolve such Non-Essential Documented Defect based upon a mutually agreed upon priority list within two version release cycles and a cosmetic or other Documented Defect that does not qualify as any other Service Level Defect with a future Version Release.

6.6. Escalation Procedure. If ISS is unable to resolve any Service Level 1 or Service Level 2 Defect as provided in this Section 3, DIR Customer may immediately escalate the issue to DIR Customer's Project Manager or Designee and ISS' Director of DIR Customer Services. ISS and DIR Customer will use good faith reasonable efforts to meet, discuss, and agree upon a resolution plan for the affected Defect. If DIR Customer's Project Manager or Designee and ISS' Director of DIR Customer Services cannot agree upon an acceptable resolution plan within 24 hours of such initial escalation, or such other reasonable time as the parties may agree, DIR Customer may further escalate the issue to DIR Customer's next Administrative Level and ISS' Division Chief Operating Officer or Division President who shall have final authority to negotiate an acceptable resolution plan.

6.7. Technical Server & Systems Support. ISS shall use commercially reasonable efforts to provide DIR Customer with technical support to assist DIR Customer with troubleshooting the loss of functionality of Licensed Software for reasons other than a Documented Defect. ISS technical support shall be limited to:

(a) assisting the DIR Customer with isolating the source of Licensed Software failure due to systems-level hardware, Third Party Software, network, DIR Customer-level hardware or peripherals;

(b) providing recommendations to DIR Customer regarding resolution of said non-defect failure(s); and

(c) providing DIR Customer with assistance on basic maintenance and administration of the Licensed Software environment, including basic data backup and restore procedures and deployment of Version Releases.

## 7. **ADDITIONAL SUPPORT SERVICES**

DIR Customer may request support services in addition to the correction of Documented Defects by delivering to ISS a written request outlining the nature of the services desired (a "Service Request"). Such other support services **must be included in Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507** and may (or may not) include, without limitation, services related to: (a) additional training; (b) technical assistance; (c) programming services; (d) installation of add-on components; (e) integration or exchanges; and/or (e) business analysis. ISS shall provide to DIR Customer a written response to the request which describes in detail the anticipated impact of the request on the existing Licensed Software, the time required to perform such services, an implementation plan, and a schedule of the fees related thereto. Fees for additional support services are set forth in Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507 and Schedule 1 (Investment Summary; Technical Services) shall be billed by ISS directly to DIR Customer and shall be invoiced in accordance with Appendix A, Section 7.B of DIR Contract Number DIR-SDD-2507.

## 8. **VERSION RELEASES**

ISS shall provide Version Releases of the Licensed Software as needed and as determined by ISS. ISS shall notify DIR Customer of the occurrence of a new Version Release and shall provide DIR Customer with access to such Version Releases for the Licensed Software in a prompt manner that is consistent with ISS' business practices for DIR Customer's utilizing the Licensed Software under a Software as a Service agreement.

## 9. **THIRD PARTY SOFTWARE**

9.1. Notice of New Third Party Software. ISS shall provide DIR Customer with advanced notice of any mandated new Third Party Software revision that shall be required to load a Version Release. ISS shall use commercially reasonable efforts to minimize the need for DIR Customer to rely upon updates of Third Party Software.

9.2. ISS Certification. At ISS' expense, ISS shall certify the compatibility of Third Party Software components used by the Licensed Software and maintain a list of supported Third Party Software release levels. Version Releases shall be certified to supported versions of all required Third Party Software. ISS shall certify new releases of Third Party Software within a reasonable timeframe.

9.3. Costs. DIR Customer is responsible for all costs associated with installing and maintaining Third Party Software versions.

**[Remainder of this page intentionally left blank]**

**Schedule 1 – Investment Summary****P#: 13XX - (Description)**

**All Prices provided herein must be in accordance with those in Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507. Products or Services not listed in Appendix C, Pricing Index of DIR Contract Number DIR-SDD-2507 may not be purchased for use by DIR Customer.**

iJustice® Online – Licensed Software		Quantity Number of Units (Users, Cases, etc.)	Months	Cost/Unit per Month	SaaS Fee
<b>Software as a Service</b>					<b>One-Time Fee</b>
Months 1-12					\$
<b>Year 1 – Prorated Annual SaaS Fee</b>			<b>12</b>		\$
Months 13-24					\$
<b>Year 2 – Prorated Annual SaaS Fee</b>			<b>12</b>		\$
Months 25-36					\$
<b>Year 3 – Prorated Annual SaaS Fee</b>			<b>12</b>		\$
<b>Included Modules</b>					
<b>Embedded 3<sup>rd</sup> Party Software</b>					
None					
<b>Implementation Services</b>					
<b>Technical Services</b>					
Service Item	Rate	Hours	Cost		
Project Management (Project Svcs)	\$ 0		\$ 0		
Data Conversion (Tech Svcs)	\$ 0		\$ 0		
Setup, Configuration & Technical (Tech Svcs)	\$ 0		\$ 0		
Customization (Tech Svcs)	\$ 0		\$ 0		
Training & Go-Live Assistance (Training Svcs)	\$ 0		\$ 0		
Total Technical Services			\$ 0		
Estimated Travel Expenses			\$ 0		
Total Implementation Services			\$ 0		

1. ISS shall provide weekly status reports on the Project Implementation Services. These status reports shall include updates on the number of hours used (and hours remaining) out of the allocated number of hours shown for each item listed under "Technical Services" above. ISS shall not exceed the allocated number of hours unless ISS has obtained the prior written approval from an authorized DIR Customer representative.

2. Annual SaaS Fees shall be invoiced to Client pursuant to Section 4 of Exhibit A – "iJustice® SaaS General Terms and Conditions". The prorated Annual SaaS Fees reflected in the Investment Summary are invoiced in advance and include forecasted user counts over the Term of the agreement.

**Exhibit B-1 to Appendix I of DIR Contract #: DIR-SDD-2507**

**Application Availability Period Service Levels**

<b>Type</b>	<b>Description</b>	<b>Goal</b>
Application Availability Period	The operational time as set forth under "Goal", and which is outside the Operational Maintenance Window, and where ISS has not announced its intent to perform maintenance at least forty-eight (48) hours in advance.	4:00 p.m. Central Time Sunday to 8:00 p.m. Central Time Saturday
Operation Maintenance Window	<p>The Operational Maintenance Window happens weekly. During this time, ISS can take its iJustice® servers off-line (no Internet access) and perform work on supporting hardware. ISS will provide 48 hours notice to the DIR Customer if the iJustice® application will be unavailable during the maintenance period.</p> <p>The maintenance period includes upgrades or replacements of ISS servers, data storage, data backup, and supporting hardware. This period also covers software maintenance items that include scheduled hot fixes, quarterly service releases, operating system security patches and upgrades, and similar maintenance operations.</p> <p>If an iJustice® application hot fix must be performed outside the maintenance period and impacts the Application Availability Period, ISS will provide 24-hour notice to the DIR Customer.</p>	8:00 p.m. Central Time Saturday to 4:00 p.m. Central Time Sunday
Backups	<p>Nightly backups of the following files will be completed: production databases, images, forms, and other documents.</p> <p>DIR Customer data transactions are saved every 15 minutes during the Application Availability Period.</p> <p>Nightly backups are stored offsite.</p>	Nightly